

## **EXPLANATORY STATEMENT**

### ***NATIONAL HEALTH ACT 1953***

#### ***NATIONAL HEALTH (HIGHLY SPECIALISED DRUGS PROGRAM) SPECIAL ARRANGEMENT AMENDMENT (JUNE UPDATE) INSTRUMENT 2025***

#### **PB 58 of 2025**

##### **Purpose**

This is the *National Health (Highly Specialised Drugs Program) Special Arrangement Amendment (June Update) Instrument 2025* (PB 58 of 2025) (this Instrument). The purpose of this Instrument, made under subsection 100(2) of the *National Health Act 1953* (the Act), is to amend the *National Health (Highly Specialised Drugs Program) Special Arrangement 2021* (PB 27 of 2021) (the Special Arrangement), to make changes to the Special Arrangement relating to the Highly Specialised Drugs (HSD) Program.

The amendments made by this Instrument reflect amendments to the *National Health (Listing of Pharmaceutical Benefits) Instrument 2024* (PB 26 of 2024), which commence on the same day. The *National Health (Listing of Pharmaceutical Benefits) Instrument 2024* (PB 26 of 2024), and amendments to that instrument, are made under sections 84AF, 84AK, 85, 85A, 88 and 101 of the Act.

Schedule 1 to this Instrument provides for the deletion of a brand of the listed drugs adalimumab, azacitidine, and ciclosporin from the Special Arrangement. These changes are summarised, by subject matter, in the Attachment.

##### **Authority**

Subsection 100(1) of the Act enables the Minister, by legislative instrument, to make special arrangements for the supply of pharmaceutical benefits.

Subsection 100(2) of the Act provides that the Minister may, by legislative instrument, vary or revoke a special arrangement made under subsection 100(1).

Subsection 100(3) of the Act provides that Part VII of the Act, and instruments made for the purposes of Part VII have effect subject to a special arrangement made under subsection 100(1).

##### **Consultation**

The amendments made by this Instrument accord with recommendations made by the Pharmaceutical Benefits Advisory Committee (PBAC).

An ongoing and formal process of consultation in relation to matters relevant to the Special Arrangement includes the involvement of interested parties through the membership of the PBAC.

PBAC is an independent expert body established by section 100A of the Act which makes recommendations to the Minister about which drugs and medicinal preparations should be available as pharmaceutical benefits. PBAC members are appointed following nomination by prescribed organisations and associations from consumers, health economists, practising community pharmacists, general practitioners, clinical pharmacologists and specialists, with at least one member selected from each of those interests or professions. Remaining members are persons whom the Minister is satisfied have qualifications and experience in a field relevant to the functions of PBAC, and that would enable them to contribute meaningfully to the deliberations of PBAC. In addition, an industry nominee has been appointed to the PBAC membership. When recommending the listing of a medicine on the Pharmaceutical Benefits Scheme (PBS), PBAC takes into account the medical conditions for which the medicine has been approved for use in Australia, its clinical effectiveness, safety and cost-effectiveness compared with other treatments.

Pharmaceutical companies were consulted throughout the process of changes to the listings on the PBS. This includes consultation through the PBAC process.

Further consultation for this Instrument was considered unnecessary due to the nature of the consultation that has already taken place in the decision to list the medications outlined under 'Purpose'.

Details of this Instrument are set out in the Attachment.

This Instrument commences on 1 June 2025.

This Instrument is a legislative instrument for the purposes of the *Legislation Act 2003*.

**DETAILS OF THE *NATIONAL HEALTH (HIGHLY SPECIALISED DRUGS PROGRAM) SPECIAL ARRANGEMENT AMENDMENT (JUNE UPDATE) INSTRUMENT 2025***

**Section 1      Name of Instrument**

This section provides that the name of the Instrument is the *National Health (Highly Specialised Drugs Program) Special Arrangement Amendment (June Update) Instrument 2025* and may also be cited as PB 58 of 2025.

**Section 2      Commencement**

This section provides that this Instrument commences on 1 June 2025.

**Section 3      Authority**

This section states that this Instrument is made under subsection 100(2) of the *National Health Act 1953*.

**Section 4      Schedules**

This section provides that each instrument that is specified in a Schedule to the Instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to the Instrument has effect according to its terms.

**Schedule 1      Amendments**

The amendments in Schedule 1 involve the deletion of brands of existing pharmaceutical benefits from the Special Arrangement. These changes are summarised below.

**SUMMARY OF CHANGES TO THE *HIGHLY SPECIALISED DRUGS PROGRAM* MADE BY THIS INSTRUMENT**

**Brand Deleted**

***Listed Drug                      Form and Brand***

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Adalimumab	Injection 40 mg in 0.4 mL pre-filled pen ( <i>Adalicip</i> )
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Azacitidine	Powder for injection 100 mg ( <i>Azacitidine-Teva</i> )
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Ciclosporin	Capsule 25 mg ( <i>Cyclosporin Sandoz</i> )
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	Capsule 50 mg ( <i>Cyclosporin Sandoz</i> )
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	Capsule 100 mg ( <i>Cyclosporin Sandoz</i> )
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## Statement of Compatibility with Human Rights

*Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011*

### ***National Health (Highly Specialised Drugs Program) Special Arrangement Amendment (June Update) Instrument 2025***

**(PB 58 of 2025)**

This Instrument is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

#### **Overview of the Instrument**

The purpose of this Instrument, made under subsection 100(2) of the *National Health Act 1953* (the Act), is to amend the *National Health (Highly Specialised Drugs Program) Special Arrangement 2021* (PB 27 of 2021) (the Special Arrangement), to make changes to the Special Arrangement relating to the Highly Specialised Drugs Program.

The pharmaceutical benefits supplied under the Special Arrangement are for the treatment of chronic conditions which, because of their clinical use or other special features, may only be supplied to patients receiving specialised treatment.

#### **Human Rights Implications**

This Instrument engages Articles 9 and 12 of the International Covenant on Economic, Social and Cultural Rights (ICESCR), specifically the rights to social security and health.

##### *The Right to Social Security*

The right to social security is contained in Article 9 of the ICESCR. It requires that a country must, within its maximum available resources, ensure access to a social security scheme that provides a minimum essential level of benefits to all individuals and families that will enable them to acquire at least essential health care. Countries are obliged to demonstrate that every effort has been made to use all resources that are at their disposal in an effort to satisfy, as a matter of priority, this minimum obligation.

The UN Committee on Economic Social and Cultural Rights reports that there is a strong presumption that retrogressive measures taken in relation to the right to social security are prohibited under ICESCR. In this context, a retrogressive measure would be one taken without adequate justification that had the effect of reducing existing levels of social security benefits, or of denying benefits to persons or groups previously entitled to them. However, it is legitimate for a government to re-direct its limited resources in ways that it considers to be more effective at meeting the general health needs of all society, particularly the needs of the more disadvantaged members of society.

##### *The Right to Health*

The right to the enjoyment of the highest attainable standard of physical and mental health is contained in Article 12(1) of the ICESCR. The UN Committee on Economic, Social and Cultural Rights (the Committee) has stated that the right to health is not a right for each individual to be healthy, but is a right to a system of health protection which provides equality of opportunity for people to enjoy the highest attainable level of health.

The Committee reports that the 'highest attainable standard of health' takes into account the country's available resources. This right may be understood as a right of access to a variety of public health and health care facilities, goods, services, programs, and conditions necessary for the realisation of the highest attainable standard of health.

#### **Analysis**

This Instrument advances the right to health and the right to social security by ensuring that the amendments to the *National Health (Listing of Pharmaceutical Benefits) Instrument 2024* (the Listing Instrument), that affect the pharmaceutical benefits that may be supplied under the Special

Arrangement, are made concurrently. This Instrument provides for the deletion of a brand of the listed drugs adalimumab, azacitidine, and ciclosporin.

The Listing Instrument determines the pharmaceutical benefits that are on the Pharmaceutical Benefits Scheme (PBS) through declarations of drugs and medicinal preparations, and determinations of forms, manners of administration and brands. The PBS is a benefit scheme which assists with advancement of these human rights by providing for subsidised access by patients to medicines. The recommendatory role of the Pharmaceutical Benefits Advisory Committee (PBAC) ensures that decisions about subsidised access to medicines on the PBS are evidence-based.

Where there are many brands of a listed drug and form, then the delisting of one brand will not adversely affect members of the public as they will be able to obtain any of the other equivalent brands. The delisting of brands in this Instrument will not affect access to the drugs, as affected patients will be able to access equivalent brands, at the same cost. Consequently, the brand delistings in this instrument do not result in an unmet clinical need. Note that delisting of maximum quantities, number of repeats, and pack sizes are equivalent to brand delistings.

### **Conclusion**

This Instrument is compatible with human rights because it advances the protection of human rights.

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